

HOUSE BILL NO. 650

INTRODUCED BY D. ROBERTS

A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING MONEY FROM THE HEALTH AND MEDICAID INITIATIVES ACCOUNT IN THE STATE SPECIAL REVENUE FUND TO INCREASE THE MEDICAID PROVIDER REIMBURSEMENT RATE FOR MONTANA DENTISTS; AND PROVIDING AN EFFECTIVE DATE."

WHEREAS, of the approximately 558 dentists licensed in Montana, 340 accept as patients persons enrolled in the Montana Medicaid program; and

WHEREAS, the reimbursement offered to Montana dentists in payment for services billed to Medicaid patients is now between 55% and 60% of billed charges; and

WHEREAS, overhead costs for a typical Montana dental office amount to 65% to 70% of billed charges; and

WHEREAS, those figures mean that a Montana dentist treating Medicaid enrollees cannot even pay the dentist's overhead costs for heat, staff salaries, and supplies, let alone pay for the dentist's own time and effort; and

WHEREAS, the budget for the Department of Public Health and Human Services contains an increase in the Medicaid dental reimbursement rate of only 10%; and

WHEREAS, Montana dentists are more likely to continue to see Medicaid enrollees as dental patients if their overhead costs for heat, staff salaries, and supplies are reimbursed at a higher level; and

WHEREAS, it is anticipated that the recent increase in the cigarette tax enacted by Initiative Measure No. 149 will result in cigarette tax collections that are more than sufficient to increase the Medicaid dental reimbursement rate to an average of 90% of billed costs; and

WHEREAS, the statute now governing the expenditure of those cigarette tax funds in the special revenue fund established by Initiative Measure No. 149 provides that the fund is for "increased medicaid services and medicaid provider rates".

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. **Section 1. Appropriation.** The following amounts are appropriated from the health

1 and medicaid initiatives account established by 53-6-1201 in the state special revenue fund to the department
2 of public health and human services for medicaid dental provider reimbursement:

3 Fiscal Year 2006 \$2,805,443

4 Fiscal Year 2007 \$2,805,443

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6 NEW SECTION. **Section 2. Effective date.** [This act] is effective July 1, 2005.

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